Stock Code:8624

IR Presentation

for Second quarter, year ending March 2015

October 2014

Ichiyoshi Securities Co., Ltd.

Ⅰ. Business Results (Consolidated)

1. Profit & Loss

ICHIYOSHI SECURITIES

（¥ million）

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Operating revenue	7,655	5,566	6,341	5,678	5,082	4,763	▲6.3%	▲14.4%
Operating costs & expenses	4,183	3,967	4,114	4,099	4,115	4,075	▲1.0%	2.7%
Current income	3,487	1,609	2,243	1,637	992	696	▲29.8%	▲56.7%
Extraordinary income	1,031	―	5	52	468	690	47.2%	―
Extraordinary loss	0	0	33	9	9	27	182.2%	―
Corporate tax	359	511	723	764	206	613	197.2%	20.0%
Tax adjustment	7	▲5	13	▲622	336	▲176	―	―
Net income	4,151	1,103	1,477	1,535	907	919	1.4%	▲16.7%

2. Financial Results

ICHIYOSHI SECURITIES

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Total assets (¥mil.)	47,039	51,804	52,385	48,723	48,361	51,352	6.2%	▲0.9%
Total net worth (¥mil.)	29,790	31,009	30,822	32,263	31,764	32,686	2.9%	5.4%
Equity ratio (%)	63.2	59.7	58.7	66.0	65.4	63.3	—	—
Net worth per share (¥)	684.18	711.58	706.78	738.88	726.66	743.19	—	—
Capital adequacy ratio (%) (parent basis)	555.0	529.1	571.0	575.4	574.7	585.3	—	—
EPS (¥)	95.27	120.77	154.75	190.04	20.84	41.94	—	—
ROE (%)	14.5	18.0	23.2	27.8	2.8	5.6	—	—

3. Balance Sheets

(¥ million)

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Assets								
Current assets	38,749	43,323	43,564	40,060	40,299	43,668	8.4%	0.8%
Fixed assets	8,289	8,481	8,820	8,662	8,061	7,684	▲4.7%	▲9.4%
Total assets	47,039	51,804	52,385	48,723	48,361	51,352	6.2%	▲0.9%
Liabilities								
Current liabilities	15,932	19,426	20,014	15,033	15,396	17,484	13.6%	▲10.0%
Fixed liabilities	1,207	1,259	1,411	1,283	1,048	1,018	▲2.9%	▲19.1%
Total liabilities	17,248	20,794	21,563	16,459	16,596	18,666	12.5%	▲10.2%
Net worth								
Net worth	29,790	31,009	30,822	32,263	31,764	32,686	2.9%	5.4%
Total liabilities & net worth	47,039	51,804	52,385	48,723	48,361	51,352	6.2%	▲0.9%

4. Breakdown of Net Operating Revenue

ICHIYOSHI SECURITIES

（¥ million）

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Commission revenue	7,156	5,149	5,874	5,169	4,657	4,324	▲7.2%	▲16.0%
Gains on trading	112	57	100	75	37	61	63.1%	7.4%
Interest and dividend income	58	64	62	63	57	69	20.7%	7.7%
Other operating revenue	328	295	303	370	329	307	▲6.7%	4.0%
Interest expenses	14	11	12	11	8	23	164.5%	109.0%
Total	7,640	5,555	6,328	5,666	5,073	4,739	▲6.6%	▲14.7%

5. Breakdown of Gains on Trading

ICHIYOSHI SECURITIES

（¥ million）

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Stocks	68	18	69	44	11	20	77.2%	11.1%
Bonds・Forex	43	38	31	31	26	40	56.7%	5.6%
（Bonds）	（34）	（38）	（14）	（28）	（24）	（24）	▲1.1%	▲37.4%
（Forex）	（9）	（▲0）	（16）	（3）	（1）	（16）	—	—
Total	112	57	100	75	37	61	63.1%	7.4%

6. Breakdown of Commission Revenue

ICHIYOSHI SECURITIES

(¥ million)

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Brokerage								
Stocks	3,391	1,914	2,314	1,629	1,335	1,686	26.3%	▲11.9%
Distribution								
Investment trust	2,276	1,864	1,897	1,803	1,668	1,103	▲33.9%	▲40.8%
Underwriting								
IPO	202	17	308	41	276	38	▲86.1%	125.0%
PO	36	105	36	361	0	45	—	▲56.5%
Total	238	122	344	403	276	84	▲69.6%	▲31.2%
Others								
Beneficiary certificates	1,093	1,059	1,088	1,095	1,133	1,186	4.6%	12.0%
Others	107	152	180	176	179	200	11.3%	30.9%
Total	1,201	1,212	1,269	1,272	1,313	1,386	5.6%	14.4%

7. Operating Cost and Expenses

ICHIYOSHI SECURITIES

（¥ million）

	2014/3				2015/3		Quarter-on-Quarter	Year-on-Year
	1Q	2Q	3Q	4Q	1Q	2Q		
Transaction related expenses	401	375	470	425	432	381	▲11.8%	1.6%
Personnel expenses	2,393	2,294	2,297	2,226	2,209	2,229	0.9%	▲2.8%
Property related expenses	379	372	372	378	441	476	7.9%	27.9%
Clerical expenses	686	644	684	749	714	683	▲4.4%	5.9%
Depreciation	83	88	92	103	102	110	8.0%	24.4%
Public charges	59	47	50	45	42	48	14.3%	0.8%
Allowances for doubtful accounts	1	▲0	▲1	0	0	0	▲41.8%	—
Others	178	144	148	169	172	147	▲14.6%	2.2%
Total	4,183	3,967	4,114	4,099	4,115	4,075	▲1.0%	2.7%

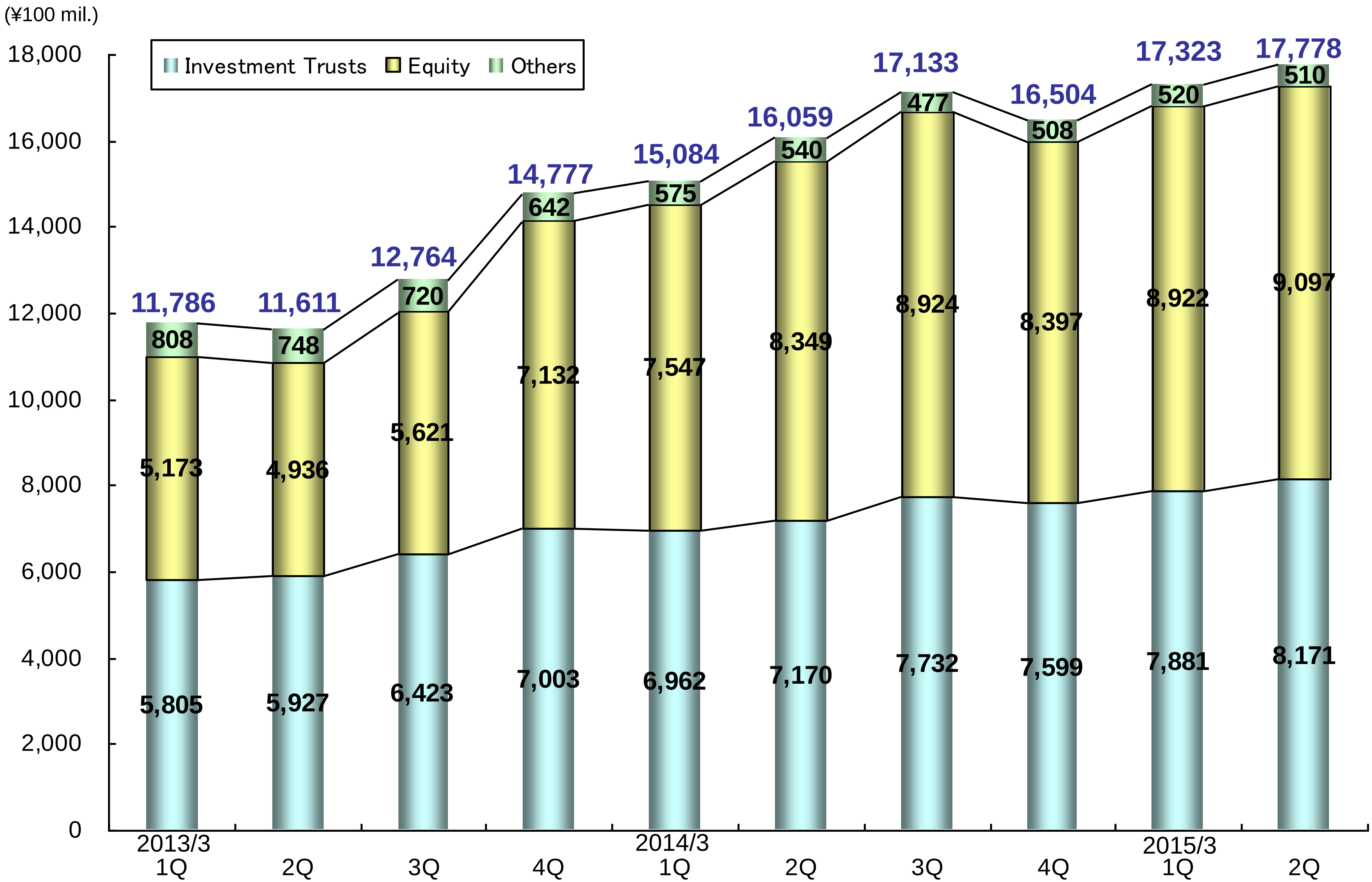
<Reference> Fixed cost and Variable cost are inscribed on a parent basis.

*Allocation method of Fixed Cost and Variable Cost has been slightly changed applicable for 2015/3 (FY2014). Accordingly, figures for 2014/3 (FY 2013) have been rewrote from previously disclosed figures.

Fixed cost	2,624	2,664	2,674	2,765	2,823	2,816	▲0.2%	5.7%
Variable cost	1,202	959	1,101	937	932	907	▲2.7%	▲5.4%

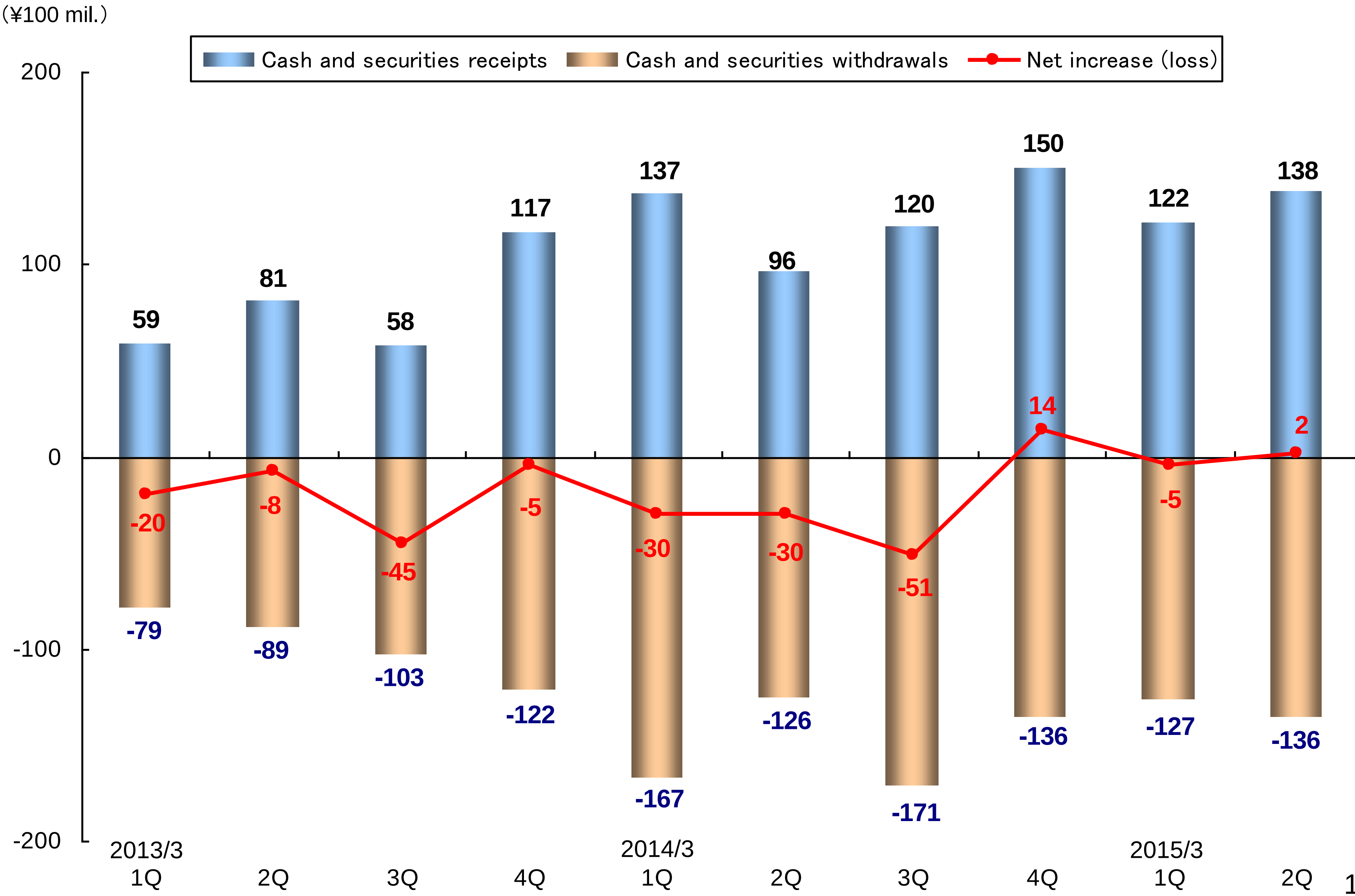
Ⅱ. Business Circumstances

1. Customer Assets under Custody



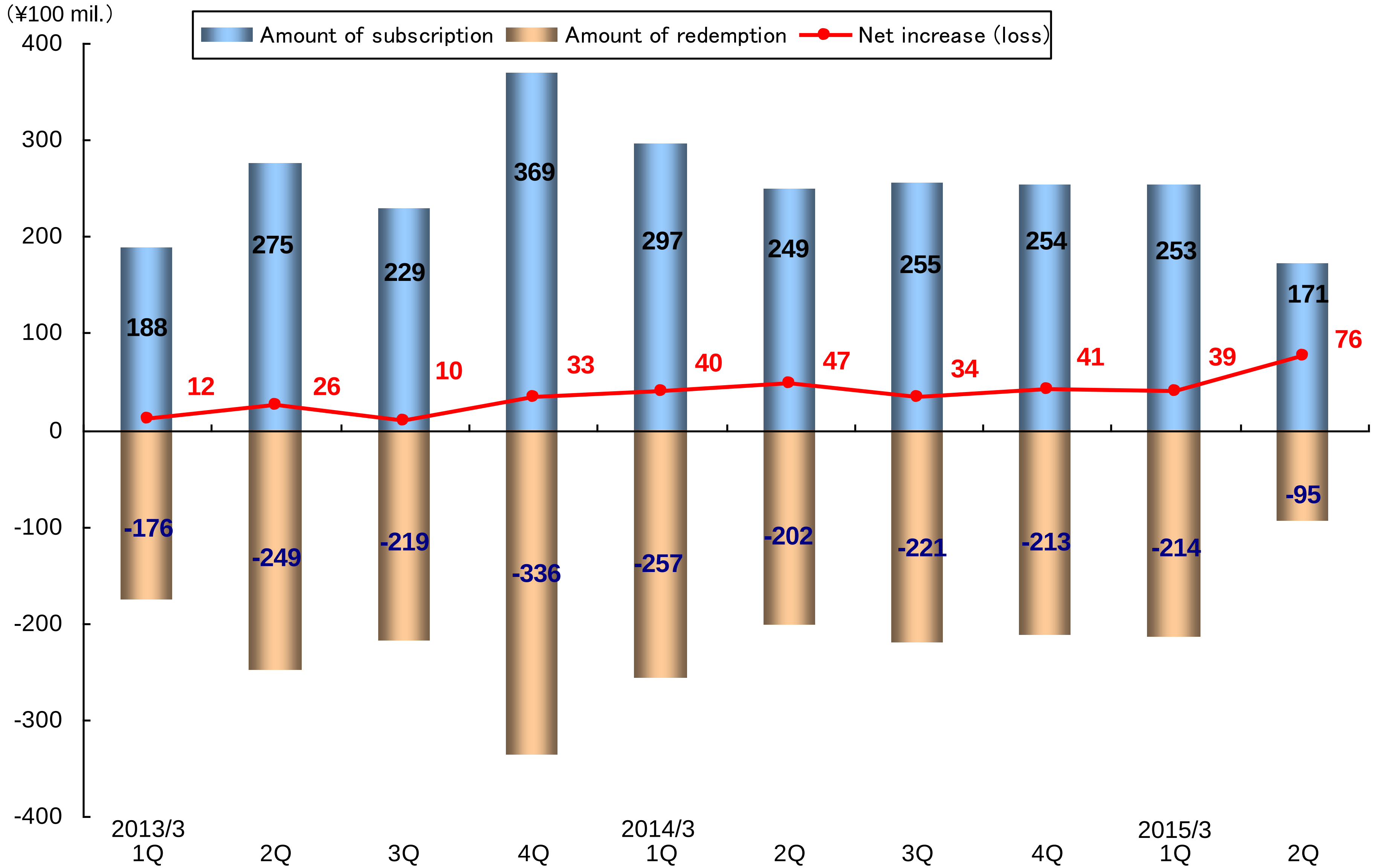
2. Cash and Securities Receipts/ Cash and Securities Withdrawals/ Net Increase (Monthly Average)

ICHIYOSHI SECURITIES



3. Subscription/ Redemption/ Net Increase of Investment Trusts (Monthly Average)

ICHIYOSHI SECURITIES



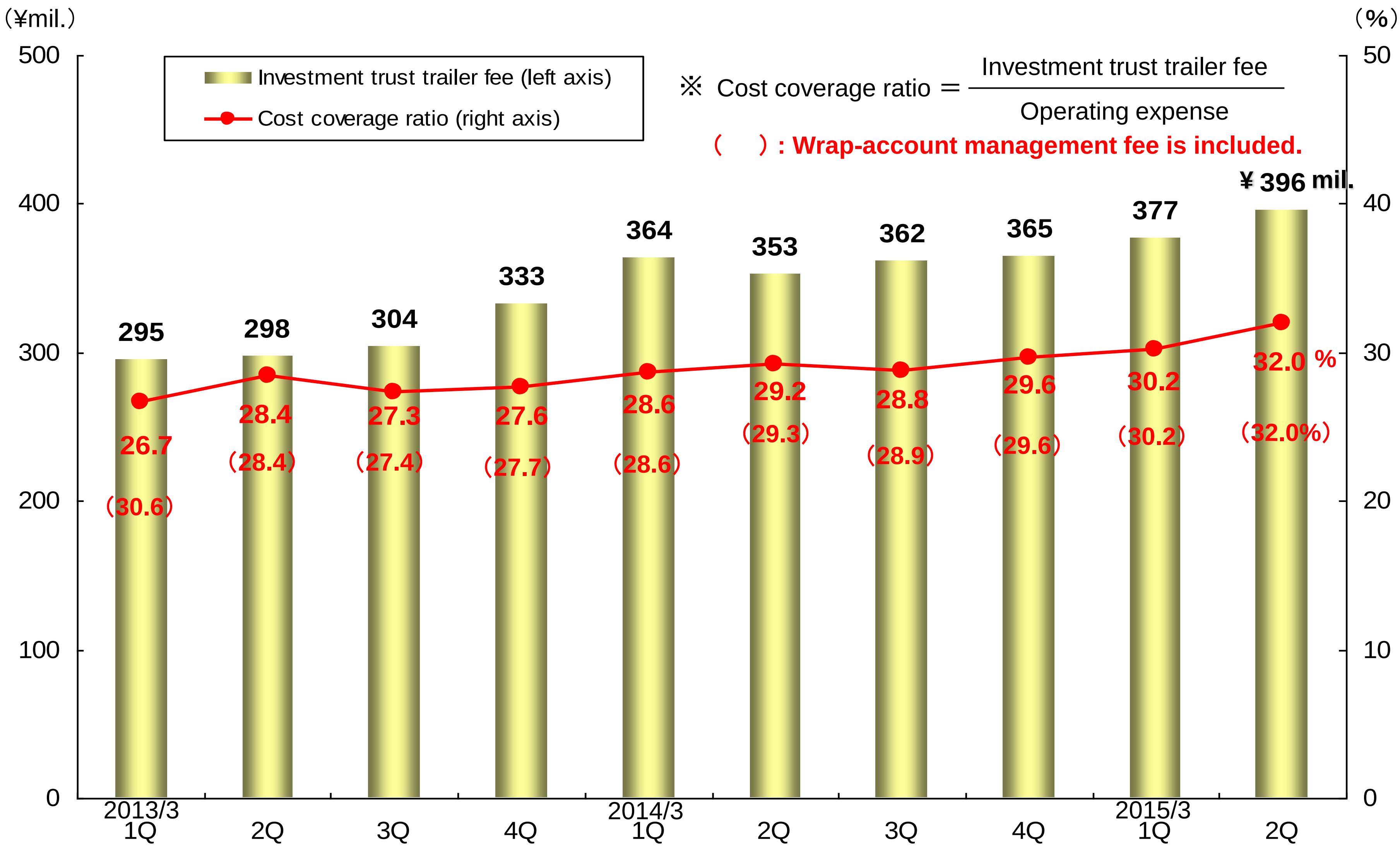
4. Top 5 Best Selling Investment Trusts (Total Amounts of 3 Months)

ICHIYOSHI SECURITIES

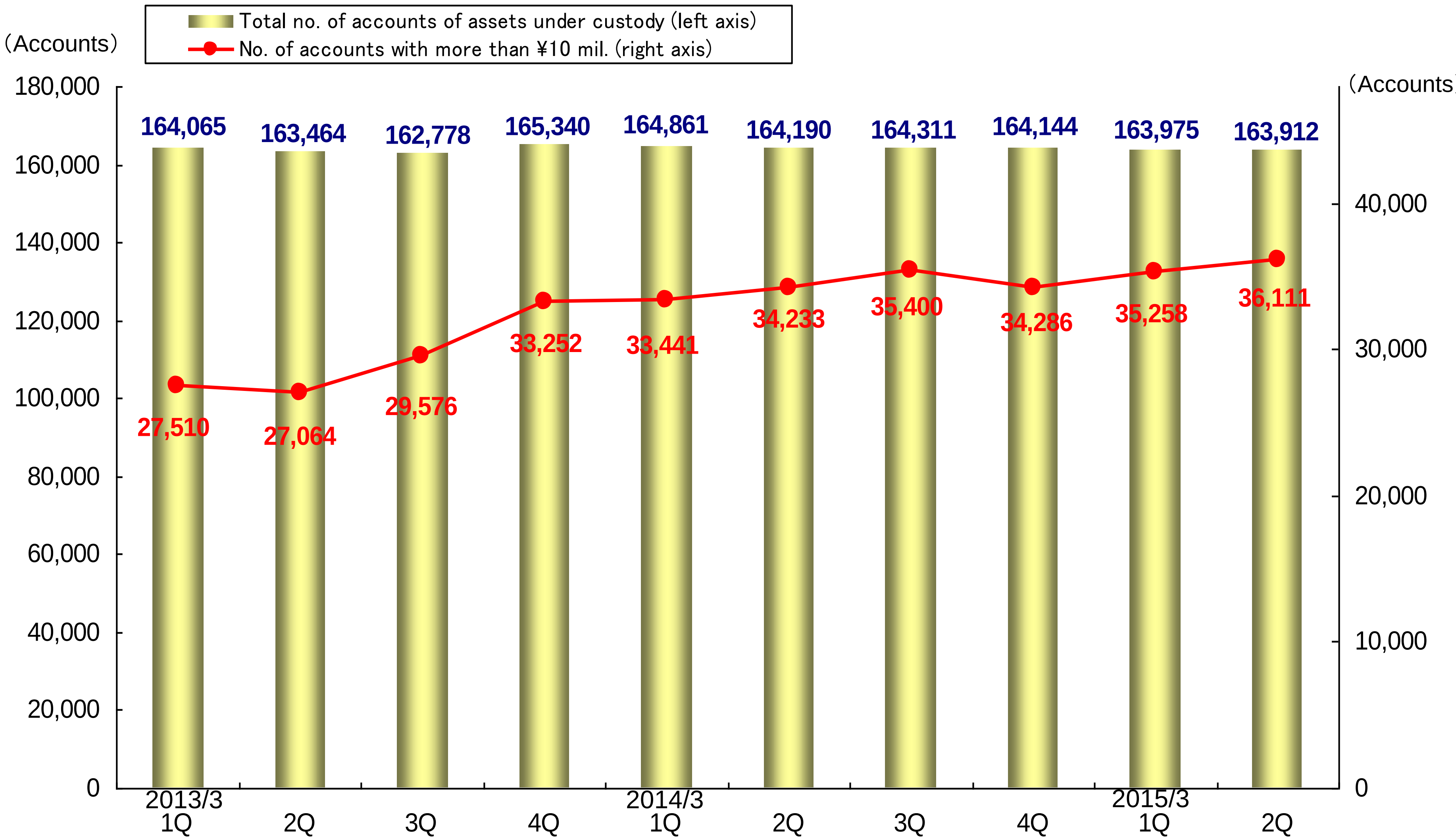
(¥ 100 mil.)

	2013/3				2014/3				2015/3	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
LM Australia Monthly Dividend Fund	83	157	99					78	126	91
Pictet Emerging Country Income Stock Fund					82	159	167	83	111	83
HSBC New Leaders Sovereign Open	34			119	108	144	130	97	103	52
Pictet Global Income Stock Fund			131	407	227	84	69	85	68	46
Global Floating Rate Note Fund (JPY Hedge Course)									62	30
Japan Mid/Small Growth Stock Active Fund							72	143		
Japan Recover Growth Stock Fund					116	98	71			
UBS Global CB Open						36				
Global REIT Open	66	78	62	129	53					
JREIT Asia Mix Open				60						
US Manufacturer Stock Fund	51			40						
BAM World Bond & Currency Fund	211	259	110							
Nomura J-REIT Open (Limited Open-Type Fund)			79							
UBS Global High Yield CB Fund 2012-08 (JPY Hedge)		122								
Global High Yield CB Fund 2012-09 (JPY Hedge)		48								

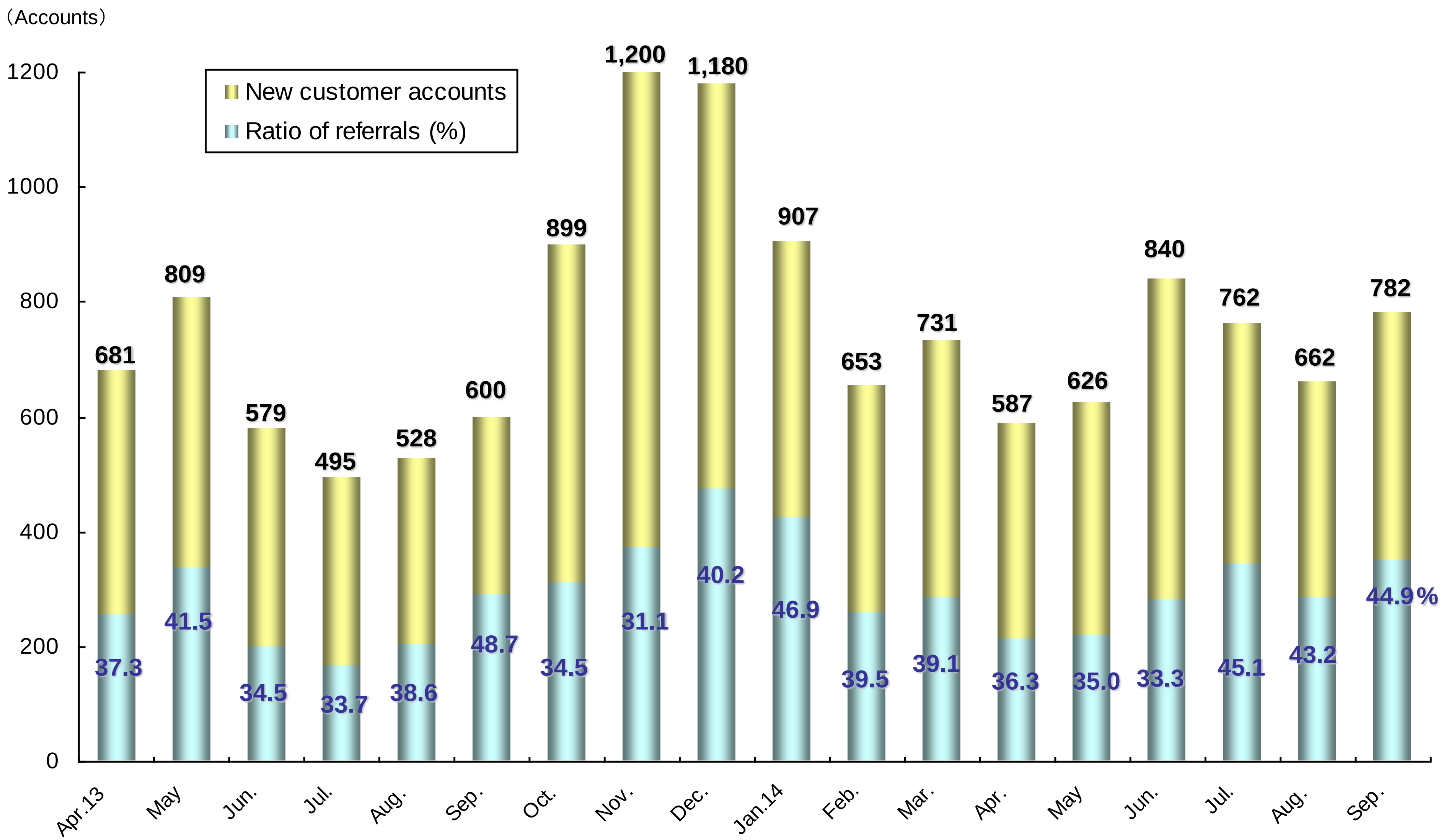
5. Trend of Investment Trust Trailer Fee and its Cost Coverage (Monthly Average/Parent Company Basis)



6. Number of Customer Accounts (Retail)

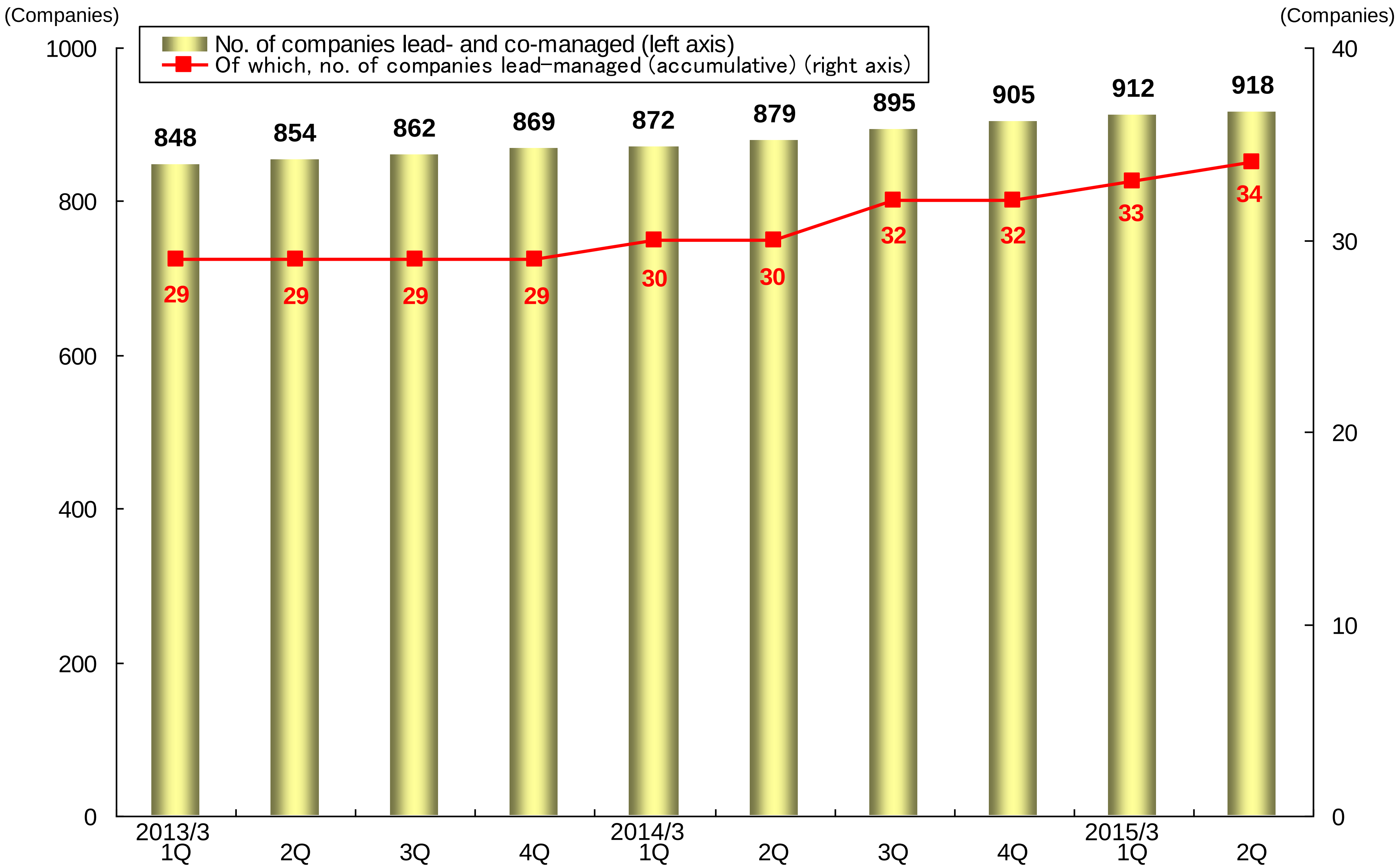


7. Number of New Customer Accounts and Ratio of Referrals (Retail)



8. Accumulated Number of Companies Lead- and Co-managed

ICHIYOSHI SECURITIES



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